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C O N F I D E N T I A L SECTION 01 OF 02 BRUSSELS 001741

SIPDIS

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SUBJECT: EU WILL RESUME TALKS WITH RUSSIA

REF: SECSTATE 119280

Classified By: POLMINCOUNS Chris Davis, for reasons 1.4 (b) and (d)

THIS CABLE, DATED NOV. 10, WAS DELAYED IN TRANSMISSION FOR
TECHNICAL REASONS.

¶1. (SBU) Summary. Per reftel instructions, USEU spoke to French presidency, Council Secretariat, and Commission contacts about how the EU will deal with Russia at the November 10 GAERC and at the November 13-14 EU-Russia summit.

All contacts told us that the EU would resume talks with Russia on a new agreement to succeed the 1997 Partnership and Cooperation Agreement. The French EU presidency and Council Secretariat legal service agree that no decision by member states is required to resume postponed (not suspended) talks, and most member states appear to view resumption of negotiations with Russia as being in the EU's interest. The remaining question for the EU seems to be how the resumption of negotiations with Russia will be presented, both to European publics and to Russia. It looks unlikely that GAERC conclusions on the topic will be issued November 10, as that would require the agreement of all 27 member states, and Lithuania remains strongly opposed. More likely is some sort of message to the press that satisfies many member states' desire to "balance" the decision to resume talks. At the EU-Russia summit on November 13-14 in Nice, the EU will listen to President Medvedev's proposal for a new pan-European security treaty, but will not take a position on it. Contacts, by the way, did not think the Nice summit would produce much on trade; however, RELEX is aware of eventual Georgian objections to Russian WTO accession. End Summary.

EU/Russia Agreement Talks To Resume,
with Press Statement Likely for Balance

¶2. (C) USEU Political Officer conveyed points from reftel demarche to French presidency and Council Secretariat contacts in Brussels. In response, presidency contacts said that the presidency is aware of the USG position and that the resumption of talks on a New EU/Russia Agreement will be accompanied by a public message reiterating the need for Russia to respect the terms of the cease-fire agreements. Council Secretariat contacts told USEU that the Council Secretariat legal service shares the view of the French presidency that no decision is necessary to resume talks with Russia. Moreover, nearly all member states view a resumption of talks as in their best interest. Therefore, talks would resume. Council Secretariat contacts saw the only remaining question on this point as being how to present the resumption of talks, both to European publics and to Russia, in order to make it clear that resumption of talks did not mean a return to business as usual with Russia. The EU would not likely

issue conclusions on this point, because conclusions would have to be agreed by all member states, and the Lithuanians had made clear they would not agree. More likely was a press communiqu. Contacts paraphrased draft press language as including statements like "the Georgia crisis has affected our trust in Russia" and recalling Council conclusions of September 1 (note: the September 1 conclusions require Russia to withdraw to pre-August 7 numbers and positions) and October 15. Draft language also "takes into account Russian actions in pursuing negotiations," but states "dialogue and negotiation are the best ways of pursuing EU values and do not in any way mean a recognition of the status quo. The EU will remain vigilant, in particular regarding the common neighborhood." Contact noted the reference to the common neighborhood was important because it suggested that if Russia pursued an unconstructive approach in the next round of Geneva talks, there could be consequences for the Agreement talks. One possible consequence, in contact's view, could be to freeze one section of the talks, such as the section on external security, while other areas went forward. Contact added that, ironically, there is a possibility that despite the EU's decision to resume talks, the Russians could end up playing hard to get and back away.

¶3. (C) Before the GAERC, Pol M-C relayed reftel points to five other Commission and Council contacts, to include Gunnar Wiegand, RELEX Director for Russia, and Richard Tibbels, special assistant to RELEX Deputy DG Hugues Mingarelli. Wiegand referred to the Commission's November 5 "Review of EU-Russia Relations" communication to the Council, which advocates scheduling negotiation sessions now, while not

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accepting the status quo in Georgia, primarily because that would be in the EU's self-interest. Weigand's deputy, Michael Webb, added separately that the pursuit of the EU's interests in its relations with Russia will also serve to advance points of common interest with the U.S., particularly as regards the fulfilment of international commitments. On the Council side, Carl Hallergard of HR Solana's private office said that, while our points would certainly be made at the GAERC by some member states, it is not "proportional conditionality" to further postpone these negotiations when there is a need to move forward particularly on energy security, which is in the EU's interests. That said, the EU will state clearly what it expects from Russia regarding Georgia. Hallergard noted, however, that the Georgian issue is "fundamental" for Russia.

¶4. (U) Just prior to the GAERC, HR Solana himself said he was very hopeful talks with Russia would resume, though not as business as usual. He noted, for example, that Russian forces in South Ossetia and Abkhazia are not there as peacekeepers, and their numbers exceed those prior to the conflict.

EU will "listen" to Pan-European Security
Proposal at the EU-Russia Summit

¶5. (C) Regarding Russian President Medvedev's proposal for a new pan-European security treaty, Council Secretariat contacts told USEU that the Russians had pushed hard to have this discussed as a special item on the November 14 EU-Russia summit agenda. The French presidency had told the Russians that the EU would listen to this as a sub-item on the external security portion of the agenda, but that the EU would take no position. The presidency also reiterated in its response to Russia that the EU would coordinate with the United States and Canada on this issue. Our contact noted that while French President Sarkozy's proposal to discuss the security treaty idea at the OSCE had not been coordinated with other EU member states in advance, it was possible this would be the approach the EU advocated.

¶6. (C) Carl Hallergard of HR Solana's private told us that, short of discussions on the matter, the Council Secretariat had listened to Russian presentations on the Medvedev proposal, which he characterized as a "funny catalogue of old principles."

¶7. (C) Speaking more broadly on the EU-Russia summit agenda, Council Secretariat contacts said that they did not expect much to come out of it on trade or WTO issues. The EU will press Russia to fulfill its bilateral commitments, with a focus on export duties on wood and scrap metal and on sanitary and phytosanitary (SPS) issues. The EU will state that it is interested in a free trade area, but that WTO accession must come first. Contact said the EU hopes this will be an incentive for Russian "good behavior" in Geneva. (Note: Separately, a Commission DG RELEX contact told USEU that potential Georgian objections to Russian WTO accession was now on the EU's radar screen. He added that discussions with the Georgians as well as the Russians on this could become "quite tricky.") Regarding discussion of third country issues at the EU-Russia summit, Council Secretariat contact said that time would be short, with barely an hour for the plenary session and less than an hour for lunch. The EU's priority issue for this discussion would be Georgia, on which it would reiterate the need for Russia to meet its commitments. Iran would be discussed, time permitting, with the EU pushing Russia to be more constructive. To our contact's knowledge, there was no EU talking point specifically for the summit agenda on Russian arms sales to Iran and Syria, although he said the EU does otherwise raise the issue frequently with the Russians.

Silverberg

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